

# DAILY BULLETIN

JUNE 7, 2006

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## USAID ADMINISTRATOR AFFIRMS U.S. ECONOMIC COMMITMENT TO AFRICA

Tobias says African “host governments” responsible for long-term development

By Rachel J. King  
Washington File Staff Writer

Washington -- Speaking at a conference in Washington June 6, Randall L. Tobias, director for U.S. foreign assistance and administrator of the U.S. Agency for International Development (USAID), affirmed the United States’ commitment to the African private sector. However, he also emphasized African governments’ responsibility to their own people.

“Working together, we can make a difference in developing a better future for children, and their mothers and fathers all across the African continent,” Tobias said in remarks to the opening day of the fifth African Growth and Opportunity Act (AGOA) Forum. The forum runs through June 7.

AGOA provides duty-free access to more than 6,400 items -- including textile products -- into the U.S. market for African nations willing to reform their economies along free-market lines. The landmark trade legislation -- the first of its kind with Africa -- first was passed by Congress in 2000 and since has been amended and reauthorized.

U.S. foreign assistance to Africa has risen significantly in the past few years. In 2000, the United States

provided \$1.1 billion in aid to sub-Saharan Africa. In 2006, the United States will provide \$3.3 billion.

“Even these significant increases pale in comparison to what can be achieved sustainably through private enterprise and individual ingenuity,” Tobias said.

Some aspects of U.S. foreign assistance have fostered “permanent and profound positive changes in developing countries, particularly when partners were strong leaders with visions,” he added.

In many cases, however, international assistance has caused citizens to expect external donors to be responsible for social and economic development rather than their own governments, he said.

“Outsiders cannot, with sustainability, cure citizens’ health and [provide] safety, educate a critical mass, or create the conditions needed for economic growth, all of which are necessary for development,” he said. “Those are responsibilities that only host governments can fulfill.

“It is important for African governments to set the stage for their private-sector ‘players’ to succeed. The most powerful locomotive in the world cannot move an inch unless its tracks rest on a firm foundation. Governments must provide the strong, predictable foundation for private-sector development,” he added.

African nations under AGOA meet the requirements for trade preferences with the United States, Tobias said, but he added that it was “just the start of a long-term partnership that looks toward a number of goals.”

The United States will “continue to partner with African leaders who are addressing business environment reform,” Tobias said. Currently the United States is providing aid to African nations under AGOA in a variety of forms, he said, including developing sanitary systems that provide means to export agricultural products to the United States, investing in new roads, energy, ports and information and communications technology.

For more information on AGOA and U.S. trade policy, see Trade and Economics:  
<http://usinfo.state.gov/ei/>

## U.S., VIETNAM COOPERATING TO COMBAT HIV/AIDS MORE EFFECTIVELY

Countries organize medical training workshop, sign cooperative agreement

By Cassie Duong  
Washington File Staff Writer

Washington -- Under the President’s Emergency Plan for AIDS Relief (PEPFAR), 150 military medical professionals will participate in a workshop June 7-9 to improve Vietnam’s capacity to battle HIV/AIDS.

“The ‘Care and Treatment Workshop’ will examine specific aspects of treatment and care that strengthen the capacity to minister to individuals who test positive for HIV,” the U.S. Embassy in Hanoi says.

The training will include lectures by Vietnamese professionals as well as visiting scholars from the University of Hawaii John A. Burns School of Medicine. Participants will share their own expertise and experiences through group discussions.

Vietnam’s Ministry of Defense, the Military Medical Department of the Vietnam People’s Army and the U.S. Pacific Command’s Center of Excellence in Disaster Management & Humanitarian Assistance jointly are sponsoring the workshop.

### COOPERATIVE AGREEMENT ON PUBLIC HEALTH

Under PEPFAR, the U.S. Centers for Disease Control and Prevention (CDC) and the Vietnam National Institute of Hygiene and Epidemiology also signed a cooperative agreement June 1 on enhancing public health capacity for HIV prevention and care.

According to the U.S. Embassy in Hanoi, the new agreement seeks to:

- Develop the national HIV laboratory capacity to support HIV testing and establish a national quality-assurance and quality-control system for HIV laboratories;
- Strengthen the national HIV/AIDS surveillance system for routine HIV/AIDS surveillance, including drug-resistance surveillance, surveillance for new HIV infections or incidence surveillance, surveillance in sentinel groups and integrated behavioral and biologic surveillance; and

- Support Vietnam's Ministry of Health in implementing the national action plan for surveillance, monitoring and evaluation to ensure HIV/AIDS program effectiveness and quality; and
- Assist in policy development and program planning.

#### OTHER PEPFAR ACTIVITIES

PEPFAR is the largest commitment by any nation for an international health initiative dedicated to a single disease. The plan, initiated by President Bush in 2003, is a five-year, \$15 billion, multifaceted approach to combating HIV/AIDS in more than 120 countries.

Some of the work funded by PEPFAR has included workshops focusing on advocacy, counseling and laboratory techniques. The plan also has facilitated laboratory renovations.

Anticipated activities under PEPFAR in the coming year between the United States and Vietnam include HIV/AIDS prevention and care workshops targeting additional practitioners.

Other countries that have received HIV/AIDS funding under PEPFAR are Botswana, Cote d'Ivoire, Ethiopia, Zambia, Uganda, South Africa, Tanzania, Rwanda, Nigeria, Namibia, Mozambique, Haiti, Kenya and Guyana.

According to a fact sheet, PEPFAR has helped 561,000 individuals in 15 countries with a variety of treatments that include training for clinical and laboratory personnel, counselors for treatments, physical infrastructure and distribution logistics, and management systems for drugs and other commodities.

The press releases on the June 7-9 workshop and the new cooperative agreement are available on the Web site of the U.S. Embassy in Hanoi:  
<http://hanoi.usembassy.gov/pr060106.html>

More information on the Center of Excellence in Disaster Management and Humanitarian Assistance is available on the center's Web site:  
<http://coe-dmha.org/>

For more information on U.S. policies, see HIV/AIDS:  
[http://usinfo.state.gov/gi/global\\_issues/hiv\\_aids.html](http://usinfo.state.gov/gi/global_issues/hiv_aids.html)

#### AIR POLLUTION EVERYONE'S PROBLEM, SAYS U.S. CONSUL TO HONG KONG

Consul General Cunningham discusses environmentally friendly business practices

By Jane Morse  
Washington File Staff Writer

Washington -- The rapid industrialization that is lifting millions out of poverty in Hong Kong and mainland China is producing air pollution that endangers regional residents and people across the globe, says U.S. Consul General James Cunningham.

Cunningham spoke June 6 before the Hong Kong General Chamber of Commerce and the American Chamber of Commerce in Hong Kong. His presentation was part of a series of events connected with "World Environment Day" June 5.

Cunningham said that air pollution along the Pearl River Delta has increased to "alarming proportions" in the last decade. "Hong Kong's air pollution is increasingly the topic of international, as well as local, comment," he said. He also said CNN recently reported that pollution from coal-burning plants in China is now reaching the West Coast of the United States.

"Just as the economy is globalizing, so are quality of life issues like pollution, affecting ever-greater portions of the globe," Cunningham observed. "The environment," he added, "is not 'someone else's problem.'"

But Cunningham cautioned: "The air pollution problem is complex. Solutions will not come quickly or easily. But Hong Kong and neighboring industrial centers can achieve progress if individuals, businesses and governments resist finger-pointing and instead take responsibility for action."

Studies estimate 80 percent of the air pollution is created by power generation, factories and motor vehicles in the Pearl River Delta, with factories the "core of the problem," Cunningham said.

Many of these factories, he acknowledged, support the global business strategies of U.S. firms, and the goods they produce largely are destined for major global markets. "So action is called for on several fronts," he said.

“My message is simple,” Cunningham said. “First, while we can’t clean up pollution overnight, it can be dealt with. Secondly, while there are many government-based initiatives underway on both sides of the border, business should -- and must -- take the lead. ... Thirdly, and very importantly for this audience, promoting pollution prevention and energy efficiency will not necessarily reduce your cash flow. Dealing with pollution can be a win-win proposition, encouraging corporate responsibility while strengthening your businesses.”

He lauded the Hong Kong General Chamber of Commerce for signing the “Clean Air Charter” along with other international business chambers. The American Chamber of Commerce will be initiating an environmental study in the near future to assess the effect of pollution on Hong Kong’s outlook for investment and human resources. The Hong Kong Business Coalition on the Environment is promoting environmental awareness and responsibility in the business community. The Business Coalition also is engaging Chinese organizations and business across the border in Guangdong.

#### TYING CREDIT FOR BUSINESSES TO ENVIRONMENTAL IMPACTS

Cunningham said some banks are looking at the environmental impact when considering credit applications.

Setting strong standards for business behavior is crucial, Cunningham said. “These standards must be adopted by a large enough group to make a difference. And they must be acted upon,” he said.

Although pollution in Hong Kong and mainland China is a very serious problem, it is not “a life sentence,” he said. “Around the world, many polluted regions have been cleaned through long-term, sustained environmental policies,” Cunningham said.

The United States, for example, is introducing environmentally friendly building materials, including those made from industrial waste, as well as water conservation systems and highly efficient cooling and energy conservation systems. Many highly polluted industrial American cities such as Los Angeles, Cleveland and Pittsburgh significantly have reduced air pollution in the past decades, Cunningham said.

Cunningham cited the political commitment to clean up the environment on the part of Hong Kong Chief Executive Donald Tsang, who recently publicly declared: “As

Asia’s world city, Hong Kong cannot tolerate foul air and a poor environment.”

“Cross border cooperation between governments is essential,” Cunningham said. But he added: “Ultimately, though, it is not government, but business that can contribute most effectively and rapidly.”

“I have heard repeatedly,” Cunningham said, “that businesses can’t afford to upgrade if doing so undercuts their competitiveness. If necessary, government regulation and enforcement can and will eventually compel industry and region-wide behavior. But businesses can take the initiative. They can also adopt environmentally friendly technologies now without affecting their bottom line. Experience indicates that one of the most effective ways to tackle the pollution problem is to motivate people to act in their own self-interest. “

#### THE P2E2 MODEL

Cunningham described an innovative, market-based financing model that encourages investment in pollution-reducing improvements to manufacturing and energy production. Called “P2E2,” which stands for “pollution prevention” and “energy efficiency,” this promising model emerged from the U.S.-China Joint Commission on Commerce and Trade.

The P2E2 initiative uses loan guarantees from the Asian Development Bank (ADB) or International Finance Corporation, as well as credits from the U.S. Export-Import Bank, to facilitate loans by Hong Kong commercial banks for environmentally friendly equipment, Cunningham said.

According to Cunningham, the introduction of cost-saving P2E2 technologies under a performance contract between the Hong Kong service company and the mainland business would not reduce that business’s cash flow. Payment would be made only out of new cost savings generated under the performance contract -- that is, with the upgraded equipment.

Initial estimates indicated that the payback period would range from one year to three years. After that, ongoing savings accrue to the mainland business.

“This is a creative model where everyone wins,” Cunningham said.

The United States, he said, believes the P2E2 model has “tremendous potential” to improve performance in such sectors as power generation, aluminum, brick-making, cement, ceramics, chemicals, electronics, iron and steel, food processing, paper and pulp, plastics and metalworking.

So far, nine Hong Kong commercial banks and two investment funds are interested in participating, Cunningham said. Approximately 20 Hong Kong environment and energy service companies are pursuing opportunities on the mainland, and at least eight firms are interested in measuring and verifying the cost savings achieved.

Initial indications on fledgling P2E2 projects suggest that this model will produce significant cost savings, Cunningham said.

“The need for progress is urgent. The pollution crisis in my country developed over many years, not one decade. And it took several generations to deal with it,” Cunningham said. “Hong Kong doesn’t have that time.”

The business communities in Hong Kong and mainland China must work with government and with each other, he said.

The full text of Cunningham’s speech, as prepared for delivery, is available on the U.S. Consulate in Hong Kong’s Web site:

<http://hongkong.usconsulate.gov/cg/2006/060601.htm>

For more information on U.S. policies, see Environment: [http://usinfo.state.gov/gi/global\\_issues/environment.html](http://usinfo.state.gov/gi/global_issues/environment.html)

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#### LEADERSHIP PROGRAM ENJOYS SUCCESSFUL DEBUT

Businesswomen from around the world forge new ties

By Judy Aita  
Washington File Staff Writer

New York -- After spending two weeks with some of the most successful women executives in the United States, 17 women -- business leaders in their own communities around the world -- called their experiences life-transforming and inspiring both personally and professionally.

The mid-career businesswomen, ranging in age from 26 to 41, traveled from Latin America, Africa, Russia, Eastern Europe, Asia and the Middle East to participate in the inaugural program of the Fortune/U.S. State Department International Women Leaders Mentoring Partnership. The program gave the women an opportunity to watch some of America’s most successful business and professional women in action.

“The exposure has taken me a long way,” said Xoliswa Kakana from Morningside, South Africa, who observed Jocelyne Attal, the chief marketing officer at Avaya Inc., a communications company in Basking Ridge, New Jersey. “I know what I have to do when I get back home now.”

At a farewell gathering of the program participants at the headquarters of Time Inc. on May 24, the women shared experiences and talked with Carrie Welch and Pattie Sellers, organizers of Fortune magazine’s annual Most Powerful Women Summit who, along with Assistant Secretary of State for Education and Cultural Affairs Dina Habib Powell, founded the mentoring program.

“I was pleased to be one of the mentors in New York City along with Anne Mulchay, chair and CEO [chief executive officer] of Xerox Corporation, and Andrea Jung, Avon chair and CEO,” said Ann Moore, chair and chief executive officer of Time Inc. and host of the May 24 event.

One of the benefits of observing Moore, said Eva Wanjiku Muraya, a marketing expert and entrepreneur in Nairobi, Kenya, was the chance to discuss joint ventures and internships that would benefit journalism students in Kenya.

Muraya said her visit gave her an opportunity to give those she met a better understanding of Kenya. “I know that the relationships that have been established during this visit do not end with the end of the program.”

Women in Bangladesh need more managerial experience and technical skills, said Farzana Chowdhury, vice president of small and medium enterprises at Brac Bank in Dhaka. Working with Kathleen Murphy, group president of ING in Hartford, Connecticut, Chowdhury witnessed “great consistency” in American women leaders, “which is lacking in Southeast Asian countries where women are good at the microlevel but at the corporate level lose their focus.”

Chowdhury noted the importance of cooperation between the private sector and government. "We have to work together, building networks among ourselves and other organizations."

Program participants said they hoped to emulate the way their mentors made a difference -- in their companies, with their employees and in their communities. "It's not as simple as it sounds," said Maria Claudia Mendez Nogales, founder and manager of Origenes textile and clothing business in La Paz, Bolivia, who observed Molly Ashbey, chief executive officer of Solera Capital in New York City.

"The lesson I am going to take back is that whatever we can do on a personal level helps and impacts everything around us," said Farah Agha, head of Abbas Spinning and Weaving Mills in Karachi, Pakistan, whose mentor was Mulchay of Xerox.

Daria Golebiowski-Tutaj, a business school professor and entrepreneur in Poland, called her experience with Patricia Fili-Krushel, executive vice president of administration at Time Warner Inc., "a Cinderella story."

"It was a mind opener, eye opener and heart opener to see her passion for attracting, growing and retaining talent," she said. "It was also a new experience to understand what is social corporate responsibility. I was astonished to see her determination to get more women at the senior executive level."

Golebiowski-Tutaj said the first thing she is going to do when she returns to Poland is start a mentorship program.

For additional information, see Women in the Global Community:  
[http://usinfo.state.gov/dhr/human\\_rights/women.html](http://usinfo.state.gov/dhr/human_rights/women.html)

**Plases Note:** Most texts and transcript mentioned in the U.S. Mission Daily Bulletin are available via our homepage: <http://geneva.usmission.gov/>

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